IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No 125 of 2000
with

COMPANY PETITION No 126 of 2000

For Approval and Signature:

Hon'ble MR.JUSTICE C.K.BUCH

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : YES

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the Civil Judge? : NO

ROTEX AUTOMATION LTD.

Versus

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Appearance:
MRS SWATI SOPARKAR for Petitioner
MS PJ DAVAWALA for Respondent No. 1

CORAM : MR.JUSTICE C.K.BUCH

Date of decision: 19/09/2000

ORAL COMMON JUDGEMENT

1. Heard learned counsel appearing for both the company petitions. Ms P.J.Davawala appears for Central Government and she is also heard. Official Liquidator has submitted his report dated 13.9.2000 which is on record. There is no resistance by the Central Government

or the Official Liquidator as to the amalgamation of both these companies. Ms. Davawala, learned Central Government Counsel has tendered letter addressed to her by Registrar of Companies, Gujarat dated 14.9.2000 and the same is taken on record. In light of the contents of the letter of Registrar of Companies and report of Official Liquidator, the following order is passed:-

2. These are the petitions filed by two companies viz. Rotex Technical Services Private Ltd. (the Transferor Company) and Rotex Automation Ltd. (the Transferee Company) for sanction of a Scheme of Amalgamation of the Transferor company with the Transferee company under sec. 391 read with sec.394 of the Companies Act,1956.

3. Both the Transferor company and the Transferee company are engaged in manufacturing of speciality valves having application in various industries and also in defence and Nuclear Plants. The amalgamation is proposed to achieve synergic advantages. The petitions give details of the advantages that would flow by virtue of the amalgamation of these companies.

4. All the shareholders of both the companies and the secured and unsecured creditors (except one secured creditor) of the Transferor company had given their consents in writing to the scheme of amalgamation. The Transferor company had undertaken to put on record the consent letter of the secured creditor along with the petition. Hence, the meetings of the shareholders of both the companies and the creditors of the Transferor company were dispensed with by this High Court vide the order dated 26.4.2000 passed in the respective company applications. The said consent letter of the remaining secured creditors was brought on record at the time of filing of the petition.

5. After the petitions were admitted they were duly advertised in the newspapers and the publication in the Government Gazette was dispensed with as directed in the order dated 2.5.2000. No one has come forward with any objections to the said petitions even after the publication.

6. Notice of the petitions has been served upon the Central Government and Ms. P.J.Davawala, Standing Counsel appears for the Central Government. She has informed the court and placed on record, as stated earlier, the letter from the Registrar of Companies of Gujarat dated 14.9.2000 indicating that the Central

Government does not propose to object the scheme of amalgamation.

7. Notice of the petition of the Transferor company have also been served upon the Official Liquidator as required under 2nd Proviso to sec.394(1) of the Act and the Official Liquidator has filed his Report dated 13.9.2000 stating that the affairs of the Transferor company have not been conducted in a manner prejudicial to its members or to public interest.

8. I have heard Smt. Swati Soparkar, learned counsel for the petitioner companies. Having gone through the petitions, I am satisfied that amalgamation would be in the interest of the companies and their members. Under the circumstances, the Scheme of Amalgamation (Annexure:C to the petitions) is sanctioned. Prayers in terms of para-15(A) in case of both the petitions are granted.

9. The petitions are disposed off accordingly. So far as the costs to be paid to the Central Government Standing Counsel is concerned, I quantify the same at Rs. 2,500/ (Rs. Two thousand five hundred only) per petition. The same is to be paid to Shri Akshaybhai Mehta and Smt. P.J.Davawala for one petition each.

19.9.2000 [C.K. BUCH, J]
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